



Department of Justice

FOR IMMEDIATE RELEASE
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**DEPARTMENT OF JUSTICE APPROVES PROPOSAL BY GROUP OF GARMENT AND
ATHLETIC SHOE MANUFACTURERS TO DISCUSS LABOR STANDARDS**

**Group wants to Inform Consumers that their Products
Weren't Made Under Sweat Shop Conditions**

WASHINGTON, D.C. -- The Department of Justice today approved a proposal allowing a group of garment and athletic shoe manufacturers, organized labor representatives and a human rights group--including Nicole Miller, NIKE, Reebok, L.L. Bean, and AFL-CIO--to jointly discuss voluntary labor standards to inform consumers that their products were not produced under sweat shop conditions.

The proposal by the Apparel Industry Partnership will allow its 18 members to engage in preliminary talks to discuss how to develop such standards, as well as possible auditing mechanisms, and methods to inform consumers that their products meet the standards. The partnership plans to articulate its standards within six months.

"The goal of the partnership is to provide reliable information to consumers as to whether the products they purchase

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are made under decent and humane working conditions," said A. Douglas Melamed, Principal Deputy Assistant Attorney General of the Antitrust Division.

The Department's position was stated in a business review letter sent yesterday by Melamed in response to a request made on behalf of the partnership.

The Department said that with certain safeguards in place, the proposed discussions are unlikely to have anticompetitive consequences even though some of the members are direct competitors.

The partnership proposes to discuss how the organization will go about setting standards, developing an auditing process for those who choose to comply with the standards, and creating common language that can be used to inform consumers that certain products comply. Safeguards will be in place during the discussions to prevent the exchange of competitively sensitive, proprietary information. These safeguards will include the presence of antitrust counsel at all discussions between direct competitors, the creation of discussion guidelines, and documentation of the discussions.

This business review letter does not address any standards that the partnership might articulate. Nor does it address any auditing system that may ultimately be used to assess compliance with the standards or any methods the partnership might develop to inform consumers, through labeling, advertising or otherwise,

that products comply with the standards.

The following companies are members of the partnership:

Business for Social Responsibility; Interfaith Center on Corporate Responsibility; International Labor Rights Fund; Karen Kane Inc.; Lawyers Committee for Human Rights; Liz Claiborne Inc.; L.L. Bean Inc.; National Consumers League; Nicole Miller; NIKE Inc.; Patagonia; Phillips-Van Heusen Corp.; Reebok International Ltd.; Retail, Wholesale and Department Store Union; AFL-CIO, CLC; Robert F. Kennedy Memorial Center for Human Rights; Tweeds Inc.; Union of Needletrades, Industrial and Textile Employees; and Warnaco Inc.

Under the Department's business review procedure, an organization may submit a proposed action to the Antitrust Division and receive a statement as to whether the Division will challenge the action under the antitrust laws.

A file containing the business review request and the Department's response may be examined in the Legal Procedure Unit of the Antitrust Division, Room 3235, Department of Justice, Washington, D.C. 20530. After a 30-day waiting period, the documents supporting the business review request will be added to the file.

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